



PUBLIC NOTICE

Federal Communications Commission
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**DOMESTIC SECTION 214 APPLICATION FILED FOR THE TRANSFER OF
CONTROL OF LANCASTER TELEPHONE COMPANY D/B/A COMPORIUM
TO ROCK HILL TELEPHONE COMPANY D/B/A COMPORIUM**

NON-STREAMLINED PLEADING CYCLE ESTABLISHED

WC Docket No. 08-240

Comments Due: December 26, 2008

Reply Comments Due: January 2, 2009

On December 3, 2008, Lancaster Telephone Company d/b/a Comporium (Lancaster) and Rock Hill Telephone Company d/b/a Comporium (RHTC) (collectively, Applicants) filed an application, pursuant to section 63.03 of the Commission's rules, for consent to transfer control of the domestic section 214 authorization held by Lancaster to RHTC.¹

The Applicants do not seek streamlined treatment for this application under section 63.03(b) of the Commission's rules due to the adjacent service areas the Applicants have identified.² Lancaster and RHTC are both South Carolina corporations. Lancaster is an incumbent local exchange carrier (LEC) serving 22,515 access lines in Lancaster County, in north-central South Carolina. RHTC is an incumbent LEC serving approximately 49,882 access lines in York County, South Carolina. Applicants state that RHTC's York County service territory is adjacent to the service territory of Lancaster. Applicants further state that Lancaster and RHTC are incumbent LECs that have, in combination, fewer than two percent of the subscriber lines installed in the aggregate nationwide and no overlapping service areas, but because of the adjacent service areas the Applicants have identified, this application is not entitled to presumptive streamlined treatment.³

¹ 47 C.F.R. § 63.03; *see* 47 U.S.C. § 214. Applicants are also filing an application for transfer of control associated with authorization for radio licenses. Any action on this domestic section 214 application is without prejudice to Commission action on other related, pending applications. On December 8 and December 9, 2008, Applicants filed supplements to their domestic section 214 application.

² 47 C.F.R. § 63.03(b). The Lancaster and RHTC service areas are also adjacent to the service area of Fort Mill Telephone Company, which is the subject of a companion request for transfer of control to RHTC, filed contemporaneously with this application. Domestic Section 214 Application Filed for the Transfer of Control of Fort Mill Telephone Company d/b/a Comporium to Rock Hill Telephone Company d/b/a Comporium, WC Docket No. 08-241 (filed Dec. 3, 2008).

³ 47 C.F.R. § 63.03(b)(2)(iii). Together, through its affiliated companies, including Lancaster, Fort Mill Telephone Company, PBT Telecom, Inc., and Home Telephone Company, RHTC provides incumbent local exchange service to 18 exchanges in South Carolina, serving approximately 147,000 access lines. These companies serve approximately 2350 square miles in and around the communities of Rock Hill, Lancaster, Tega Cay, Fort Lawn,

The following U.S. entities have a 10 percent or greater interest in Lancaster: RHTC (49.7%) and LAB Associates, LP (LAB) (14.4%).⁴ The ten percent or greater owners of LAB are the Trust under Will of Ladson A. Barnes, Sr.,⁵ a U.S.-based entity, and Ladson A. Barnes, Jr., a U.S. citizen.

The following U.S. citizens or entities have a ten percent or greater interest in RHTC: Frank S. Barnes (17.34%); 2007 Jean D. Barnes Irrevocable Trust (17.33%),⁶ E.L. Barnes (17.33%); and LAB Associates, LP (LAB) (48%).

Pursuant to the terms of the proposed transaction, RHTC plans to issue an offer to all Lancaster shareholders to tender their shares for purchase by RHTC at a set price, without any qualification related to minimum tender amount. RHTC believes that sufficient shares will be tendered to result in its ownership of an amount in excess of 50% of the voting shares, and thus filed this application in anticipation of that event. RHTC seeks the Commission's permission to assume control and purchase up to 100% of all issued and outstanding shares in Lancaster. RHTC states that it cannot predict the exact ownership interest to be produced by the tender offer, but believes its ownership share will constitute at least a super-majority of voting interests (defined under Lancaster's by-laws as 66.667%), effectively insulating any future corporate decision from outside voting interests. RHTC also anticipates that there will be no other 10% or greater shareholder after consummation of the transactions generated by the tender offer. RHTC seeks immediate authorization to initiate and complete the transactions that will result in its assuming voting control of Lancaster, and commits to informing the Commission of the exact percentage of its ownership and each individual or entity that has a direct or indirect ownership or voting interest of 10% or more in Lancaster, if any, within thirty (30) days after the completion of the transaction.⁷

Applicants assert that a grant of the application will serve the public interest, convenience, and necessity. The Applicants state that the proposed transaction is in the public interest because it will consolidate the interests of small, family-owned local exchange carriers, lead to increased efficiencies, and strengthen the provision of community-based telecommunications service providers. Applicants also

Moncks Corner, Harleyville, Pelion, Pond Branch, Gilbert, Wagener, Ridge Spring, and Swansea, South Carolina and certain unincorporated areas of York, Lancaster, Berkley, Chester, Dorchester, Orangeburg, Kershaw, Lexington, Aiken, Calhoun, Edgefield, and Saluda Counties. In addition, another RHTC affiliate, Citizens Telephone Company, services approximately 20,000 incumbent LEC access lines in Brevard, North Carolina and surrounding Transylvania County, North Carolina. An RHTC affiliate offers wireless service within a geographic area coextensive with certain other affiliates' incumbent telephone service areas, and RHTC's affiliate, Community Long Distance, Inc., provides interexchange services to the areas served by the RHTC local exchange affiliates. In addition, Springboard Telecom, LLC, an affiliate of Community Long Distance, Inc., provides competitive local exchange service in Charlotte, Gastonia, Shelby, Kings Mountain, Lincoln, Statesville, Bessemer City, Rutherfordton, and Lake Norman, North Carolina. Another RHTC affiliate, PBT Communications, Inc., provides competitive local exchange services in parts of incumbent AT&T's Batesburg-Leesville, South Carolina exchange, and in parts of ALLTEL's Lexington, South Carolina exchange, and also provides interexchange services to residences and businesses located within PBT Telecom, Inc. and its own exchange areas.

⁴ The general partners of LAB are Ladson A. Barnes, Jr. and M. Rebecca B. Francis, both U.S. citizens.

⁵ The trustees are Ladson A. Barnes, Jr., Ladson A. Barnes, III, and Frank S. Barnes, Jr., all U.S. citizens.

⁶ The trustees are John M. Barnes, Jr. and Charles D. Barnes, both U.S. citizens.

⁷ 47 C.F.R § 63.03(a)(4).

state that the combined company will continue to face competition from other providers in its service territories.

GENERAL INFORMATION

The transfer of control identified herein has been found, upon initial review, to be acceptable for filing as a non-streamlined application. The Commission reserves the right to return any transfer of control application if, upon further examination, it is determined to be defective and not in conformance with the Commission's rules and policies. Pursuant to section 63.03(a) of the Commission's rules, 47 CFR § 63.03(a), interested parties may file comments **on or before December 26, 2008** and reply comments **on or before January 2, 2009**. Comments may be filed using: (1) the Commission's Electronic Comment Filing System (ECFS), (2) the Federal Government's e-Rulemaking Portal, or (3) by filing paper copies. *See Electronic Filing of Documents in Rulemaking Proceedings*, 63 FR 24121 (1998).

- **Electronic Filers:** Comments may be filed electronically using the Internet by accessing the ECFS: <http://www.fcc.gov/cgb/ecfs/> or the Federal e-Rulemaking Portal: <http://www.regulations.gov>. Filers should follow the instructions provided on the website for submitting comments.
- For ECFS filers, if multiple docket or rulemaking numbers appear in the caption of this proceeding, filers must transmit one electronic copy of the comments for each docket or rulemaking number referenced in the caption. In completing the transmittal screen, filers should include their full name, U.S. Postal Service mailing address, and the applicable docket or rulemaking number. Parties may also submit an electronic comment by Internet e-mail. To get filing instructions, filers should send an e-mail to ecfs@fcc.gov, and include the following words in the body of the message, "get form." A sample form and directions will be sent in response.
- **Paper Filers:** Parties who choose to file by paper must file an original and four copies of each filing. If more than one docket or rulemaking number appears in the caption of this proceeding, filers must submit two additional copies for each additional docket or rulemaking number.

Filings can be sent by hand or messenger delivery, by commercial overnight courier, or by first-class or overnight U.S. Postal Service mail. All filings must be addressed to the Commission's Secretary, Office of the Secretary, Federal Communications Commission.

The Commission's contractor will receive hand-delivered or messenger-delivered paper filings for the Commission's Secretary at 236 Massachusetts Avenue, N.E., Suite 110, Washington, D.C. 20002. The filing hours at this location are 8:00 a.m. to 7:00 p.m. All hand deliveries must be held together with rubber bands or fasteners. Any envelopes must be disposed of before entering the building. Commercial overnight mail (other than U.S. Postal Service Express Mail and Priority Mail) must be sent to 9300 East Hampton Drive, Capitol Heights, MD 20743. U.S. Postal Service first-class, Express, and Priority mail should be addressed to 445 12th Street, S.W., Washington D.C. 20554.

People with Disabilities: To request materials in accessible formats for people with disabilities (braille, large print, electronic files, audio format), send an e-mail to fcc504@fcc.gov or call the Consumer & Governmental Affairs Bureau at 202 / 418-0530 (voice), 202 / 418-0432 (tty).

In addition, one copy of each pleading must be sent to each of the following:

- 1) The Commission's duplicating contractor, Best Copy and Printing, Inc., 445 12th Street, S.W., Room CY-B402, Washington, D.C. 20554, www.bcpiweb.com; phone: 202 / 488-5300 fax: 202 / 488-5563;
- 2) Tracey Wilson-Parker, Competition Policy Division, Wireline Competition Bureau, 445 12th Street, S.W., Room 5-A103, Washington, D.C. 20554; e-mail: tracey.wilson-parker@fcc.gov;
- 3) Michelle Sclater, Competition Policy Division, Wireline Competition Bureau, 445 12th Street, S.W., Room 5-C266, Washington, D.C. 20554; e-mail: michelle.sclater@fcc.gov; and
- 4) Jim Bird, Office of General Counsel, 445 12th Street, S.W., Room 8-C824, Washington, D.C. 20554; e-mail: jim.bird@fcc.gov.

Filings and comments are also available for public inspection and copying during regular business hours at the FCC Reference Information Center, Portals II, 445 12th Street, S.W., Room CY-A257, Washington, D.C. 20554. They may also be purchased from the Commission's duplicating contractor, Best Copy and Printing, Inc., Portals II, 445 12th Street, S.W., Room CY-B402, Washington, D.C. 20554, telephone: 202 / 488-5300, fax: 202 / 488-5563, or via e-mail www.bcpiweb.com.

For further information, please contact Tracey Wilson-Parker at 202 / 418-1394, or Michelle Sclater at 202 / 418-0388.

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